SALMON RECOVERY FUNDING BOARD:

5TH ROUND – 2004

POLICIES AND PROJECT SELECTION GRANTS MANUAL

18

Salmon Recovery Funding Board Members

**Salmon Recovery Funding Board
Mission Statement:**

The Board will support salmon recovery by funding habitat protection and restoration projects, and related programs and activities that produce sustainable and measurable benefits for the fish and their habitat.

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SECTION 1 – INTRODUCTION & GENERAL POLICIES

Introduction

The Washington State Legislature established the Salmon Recovery Funding Board (SRFB) in 1999. (See RCW 77.85; originally enacted as HB 2496 (1998) and SB 5595(1999.))

Salmon recovery funds appropriated by legislative and congressional action are administered by the SRFB to provide assistance for a broad range of salmon habitat restoration, protection, and related activities.

The SRFB is composed of five gubernatorial appointees who are voting members, and five non-voting state agency directors. One of the voting members must be a Cabinet-level representative of the Governor. Agency members are the Departments of Ecology, Fish & Wildlife, Natural Resources, Transportation, and the State Conservation Commission.

The Office of the Interagency Committee for Outdoor Recreation (IAC) provides administrative support to the SRFB, including grants management activities. The term "IAC" commonly refers to both this Committee and its office and staff, led by a Director. Whenever it is important to distinguish among these parties, this manual uses the words "Board," "SRFB," "staff," "Committee," "Director," or "Office", as appropriate.

This Grants Manual provides information about the SRFB and its salmon grant policies to state and local agencies, the public, tribes, and other interested constituents.

Program Goals

The Mission of the Salmon Recovery Funding Board is:

> *The Board will support salmon recovery by funding habitat protection and restoration projects and related programs and activities that produce sustainable and measurable benefits for fish and their habitat.*

The Board's primary goal, by investing in salmon recovery efforts through its grants, is to aid the recovery of salmonids, that is, salmon, trout, and steelhead. Proposals must be developed using science-based information and local citizen review. Proposals must demonstrate through an evaluation and a monitoring process the capacity to be implemented and sustained effectively for the benefit of fish.

The Board is interested in funding riparian, freshwater, estuarine, nearshore, saltwater, and upland projects that protect existing high quality habitats for salmon and restore degraded habitat to increase overall habitat health and biological productivity. The projects may include the actual habitat used by the salmon and also land and water areas that support salmon habitat functions or processes.

The complete text of the Board's statement of its Mission, Scope, and Funding Strategy is available on the website or by contacting the Office.

Information Sources

Natural Resources Building	Voice	(360)	902-2636
1111 Washington Street	FAX	(360)	902-3026
P.O. Box 40917	TDD	(360)	902-1996
Olympia, WA 98504-0917	E-mail	Salmon@iac.wa.gov	
Web Page	http://www.iac.wa.gov/srfb/default.asp		

A list of SRFB project managers and lead entity contacts is included in the Manual #18b - Application Instructions.

Manuals

This Manual is identified as #18, and is the overall description and guidance document, reflecting the SRFB's policy and administrative direction as updated for applications in the SRFB's 5th Round grant cycle. Components of Manual #18 include the 5th Round application forms and related instructions for specific project types, found in Manuals #18b through #18i.

Related Publications

IAC's program Manuals are relevant guides to grants administration and will be used for the administration of SRFB grants unless clearly inapplicable. Contact the Office to obtain copies of these free publications. Materials are also available on the website at http://www.iac.wa.gov/srfb/default.asp. Each can be made available in an alternative format. Pertinent IAC administrative manuals include:

- Guidelines for Land Acquisition .... Manual #3
- Development Projects: Policies......................... Manual #4
- Conservation Easements .... Manual #6
- Funded Projects .... Manual #7
- Reimbursements: IAC Grant Programs .... Manual #8

Manual Authority, Administrative Delegation	This Manual, #18, and its component parts, is created under the authority granted to the SRFB. It reflects the specific requirements of Ch. 77.85 RCW, RCW 79A.25.240, WAC 420.04 and 420.12, and policies of the Salmon Recovery Funding Board, as well as the general grant administration policies of the IAC which administers the SRFB grants.

This Manual may be adopted or altered solely by a majority vote of the SRFB in a public meeting. Matters of policy relating to changes of this Manual are referred to the Board for its consideration.

The Director shall have and is delegated the authority to exercise administrative responsibility and discretion in regard to SRFB grants administration as is provided through the IAC laws and policy manuals for IAC grants. The Director likewise shall refer to the SRFB all matters of policy or fiscal significance in relation to SRFB grants and projects.

Workshops

In collaboration with lead entities and other agencies, the SRFB will conduct application workshops or other informational sessions for this grant program. The intent is to provide the public, potential sponsors, and interested organizations with an opportunity to learn about and discuss the SRFB funding programs. Schedules and locations are posted on the SRFB website.

Following grant awards, staff also conducts "Successful Applicant" workshops to review project agreement implementation and sponsor reimbursement procedures. Information concerning the times and locations of workshops can be obtained by contacting the SRFB or by visiting its website.

Permits

It is the responsibility of the grant sponsor to obtain all local, state, and federal approvals and related permits necessary for the project. All necessary permits and approvals must be obtained prior to construction or final reimbursement. The SRFB may terminate a grant in the event that permits and land use approvals are not obtained in a timely manner.

Many projects will require, among other permits, a state Hydraulic Project Approval (HPA) and its related design approvals. Information about the Washington Department of Fish and Wildlife's HPA is included as an Appendix to the Manual #18b Application Instructions.

SRFB Not A Land-Use Or Permit Hearings Board

SRFB's role is to assist in funding salmon habitat projects. It is not, and is not authorized to be, a hearings panel that resolves land use or permitting issues. SRFB's intent is that maximum benefits are gained from the limited SRFB funds available. SRFB expects all proposals to have resolved land use issues, if any, through the applicable permit process. To the extent possible, projects should be ready to implement when funded.

Reimbursements

The SRFB's grant program is operated on a reimbursement basis. The project sponsor must expend funds and provide documentation for expenditures, prior to receiving compensation.

The SRFB recognizes that some project sponsors may need cash advances in order to implement the project. Therefore, there is a limited provision for advance payments. For the criteria and process for receiving an advance, please contact the Office.

Pre-Grant Costs

Project costs incurred (including sponsor matching funds) prior to the start date of the grant's Project Agreement will **not** be reimbursed by SRFB, except in the following limited instances:

- engineering and design costs for development projects (i.e. construction-type restoration),
- costs necessary to establish land values for acquisition or conservation easement projects (e.g. survey, appraisals), or
- acquisition projects granted a Waiver of Retroactivity (see below).

Pre-grant agreement purchases of land, construction materials, and/or installation costs are not eligible for reimbursement.

Waiver Of Retroactivity – Pre-Grant Award Acquisition

In most cases, SRFB (and IAC) grant funds are used only to reimburse expenses incurred during the period set out in the Project Agreement. This is known as a "prohibition on retroactivity".

However, based on written justification by an applicant regarding the imminent need to purchase property before the Board approves funding, the Director may issue a "Waiver of Retroactivity." Such a Waiver allows the acquisition costs incurred by the applicant to remain eligible for reimbursement through the next two consecutive SRFB grant cycles.

A Waiver is normally sought when an applicant decides that an imminent condition exists that jeopardizes the acquisition and thus decides to pursue/complete the acquisition after applying but before funding approval. All such expenditures are made at the applicant's risk. That is, if a grant is not awarded, SRFB will not reimburse expenses. To apply for a Waiver of Retroactivity, an applicant must complete the materials in IAC Manual #3.

Inspections   SRFB / IAC staff may visit each project site one or more times as follows:

- Pre-award Visit. Made during the application phase, normally with the applicant.
- While the project is under way.
- When the project is completed.
- Post Completion Compliance Visit. Performed periodically to ensure the site is as described in the Project Agreement.

SECTION 2 – ELIGIBLE APPLICANTS, ELIGIBLE PROPOSALS

Lists From Lead Entities

The Board will consider only projects recommended by a lead entity in a single prioritized project list. Lead entity project lists, accompanying project applications, and other materials must be postmarked or delivered to the Board's office as stated in the Application Instructions.

Applications will not be accepted from an area of the state where there is no established lead entity.

Applicants – Apply Through Lead Entity

Applicants must submit their project proposals to the local lead entity rather than directly to the SRFB. The lead entity is responsible for assembling a ranked list of projects from its area. The lead entity establishes its own local deadlines for applications, in time for its review and development of the list due to the SRFB.

Forms

For the applicants and lead entities, the SRFB has made application forms and its computerized PRISM application system available, so applicants may use SRFB materials even for the initial application through the lead entity. In addition, SRFB project managers are available to consult with applicants. A list of the SRFB staff by geographic area is included in Manual # 18b - Application Instructions.

Post-Award – Grant Contracts

When a project is approved for SRFB funding, the successful applicants will contract directly with the SRFB to receive the funding.

Eligibility Requirements – Overview

Generally, projects are eligible for SRFB funding consideration when:

➢ The applicant is requesting funds for a project that protects or restores salmon habitat. (The specific types of eligible elements of a project are discussed later on in this section.)

➢ The applicant provides a monetary or in-kind match of 15% or more.

➢ The applicant demonstrates a commitment to long-term (10 years or more) stewardship of the project.

➢ When the landowner has a legal obligation under local, state, or federal law to perform the project, it must comply with RCW 77.85.130 (8).

➢ The project will be implemented as soon as feasible, and be completed within five years. SRFB will work with sponsors to establish the most efficient completion schedule reasonable for the project, within two years if possible.

➢ The amount requested from SRFB is not less than $5,000.

Eligible Applicants

Eligible applicants are:

➢ Cities
➢ Counties
➢ Native American Tribes
➢ Private Landowners
➢ Non Profit Organizations
➢ Conservation Districts
➢ Special Purpose Districts
➢ State Agencies
➢ Regional Fisheries Enhancement Groups

Private landowners are eligible applicants for restoration projects when the project takes place on their own land. Private individuals may not acquire land.

State agencies must have a local partner that would be independently eligible to be a project sponsor. The local partner must be involved in the planning and implementation of the project, and must provide an in-kind or cash contribution to the project.

Non-profit organizations must be registered with the Office of the Washington Secretary of State to be eligible. A non-profit's charter, organizational documents or corporate purposes must include authority for the protection or enhancement of natural resources such as salmon, salmon habitat, or related recovery activities. The charter must also include provisions for identification of an equivalent successor under the SRFB grant agreement, in case the non-profit disbands for any reason. (Note: dissolution provisions are required of all non-profit corporations under state law.)

Federal agencies may not be direct applicants, but, a project may be located on federal lands. A federal agency may later receive title to lands or facilities supported by SRFB grants, however, they must comply with RCW 77.85.130 (9). Federal agencies may be a partner with an eligible sponsor. Note that federal restrictions on using federal funds for match will need to be taken into consideration, depending on the federal agency's role with the SRFB grants.

A landowner agreement is required for proposals on land not owned or controlled by the project sponsor. The Application Instructions include forms and materials for Landowner Agreement requirements.

Matching Share   The Board requires grant applicants to provide a portion of the project value, known as "match." SRFB believes that local match serves an important purpose for effective project implementation by demonstrating local commitment to and support of the project.

The minimum matching share of non-SRFB funds is 15 percent for each project. With the minimum matching value added, the minimum size proposal is a project valued at $5,000 SRFB funds, plus the 15% match value.

At its discretion, each lead entity may establish a higher required match amount for its area, or use a sliding scale rewarding higher match amounts. The SRFB will not use match over 15% as an evaluative criteria even if the lead entity has used a higher amount or a sliding scale in its area.

Matching resources can include cash, bonds, local and other state or federal grants (unless prohibited by funding source), donated labor, equipment, or materials and force account. All matching resources must be an integral and necessary part of the approved project, must be eligible SRFB elements and items for the project, and must be committed to the project. SRFB's policies regarding valuation of donations are in Appendix C of Manual #18b – Application Instructions.

No funds administered by the SRFB may be used as a match for a SRFB grant. This may preclude matches provided through SRFB-funded programs such as the Regional Fisheries Enhancement Groups and several state agency programs.

IAC-funded grants are administered separately, and may be used as match with SRFB funds. Eligible IAC grant matches may include the Washington Wildlife and Recreation Program (WWRP), Land and Water Conservation Fund (LWCF), Aquatic Lands Enhancement Account (ALEA) and some elements of other grant programs.

Organizations are encouraged to coordinate salmon recovery efforts with other programs, projects, and fund sources. Mitigation activities, although not eligible for funding (or as match), are also encouraged to be coordinated with salmon recovery projects. For example, mitigation requiring purchase of off-site habitat should be coordinated with an adjacent habitat acquisition or restoration project. Coordinating efforts and leveraging other sources of funding will help increase benefits to salmon and their habitat as well as making the state's dollars go further.

Phased Projects	There is no upper dollar limit for a grant request, however, applicants should consider the potential complexity that large-scale or multi-million dollar projects may create, and for this reason should discuss phasing/staging with SRFB staff. Phased projects are subject to the following:

> ➢ Approval of any single stage is limited to that stage; no endorsement or approval is given or implied toward future stages.

> ➢ Each stage must stand on its own merits as a viable project.

> ➢ Each stage must be submitted as a separate application.

> ➢ Progress on earlier stages may be considered by SRFB when making decisions on current proposals by the applicant.

Project's Geographic Scope	Projects should be proposed for specific sites, adjacent worksites, or identified parcel(s) of land. However, applicants may identify a stream reach, or estuarine or nearshore area, for a proposed project site if applicants can demonstrate that siting the project anywhere within the reach, estuarine or nearshore area will be effective in achieving the objectives of the project and in addressing the problems identified in the assessments justifying the project. For acquisition projects, applicants should identify all of the possible parcels that will provide similar benefits and certainty. These parcels should be contiguous or nearly contiguous and include similar conservation values to make them effectively interchangeable in the evaluation process. The project proponent should provide a clear description of how parcels will be prioritized and how priority parcels will be pursued for acquisition.

Eligible Project Types	The Board uses the following definitions to establish eligible project types. Additional detail about eligible project elements for each project type is included in Manual #18b – Project Application Instructions.
	The eligible project types are:

Acquisition Projects	**ACQUISITION-Type Projects**
	Includes the purchase of land, access, or other property rights in fee title or less than fee, for example conservation easements. Rights or claims may be acquired, provided the value can be established or appraised. All acquisitions are from willing sellers and all less than fee acquisitions are perpetual.

Eligible Project Types, Acquisition (continued)

Applicants should note that priorities for intact habitat and identifying the portion of the site contributing to habitat features and/or watershed processes are included in the Board's recommended criteria for assessing "Benefit" and "Certainty", see Appendix A.

Eligible Project Types, Restoration

RESTORATION-Type Projects

In-Stream Passage – includes those items that affect or provide fish migration up and downstream to include road crossings (bridges and culverts), barriers (dams, log jams), fishways (ladders, chutes, pools), and log and rock weirs.

In-Stream Diversions – includes those items that affect or provide for the withdrawal and return of surface water to include the screening of fish from the actual water diversion (dam, headgate), the water conveyance system (both gravity and pressurized pump), and the by-pass of fish back to the stream.

In-Stream Habitat - includes those freshwater items that affect or enhance fish habitat below the ordinary high water mark of the water body. Items include work conducted on or next to the channel, bed, bank, and floodplain by adding or removing rocks, gravel, or woody debris. Other items necessary to complete the project may include livestock fencing, water conveyance, and plant removal and control.

Riparian Habitat – includes those freshwater, marine near-shore, and estuarine items that affect or will improve the riparian habitat outside of the ordinary high water mark or in wetlands. Items may include plant establishment/removal/management, livestock fencing, stream crossing, and water supply.

Upland Habitat – includes those items or land use activities that affect water quality and quantity important to fish, but occur above the riparian or estuarine area. Items include the timing and delivery of water to the stream; sediment and water temperature control; plant removal, control, and management; and livestock fencing and water supply.

Estuarine/Marine Nearshore - includes those items that affect or enhance fish habitat within the shoreline riparian zone or below the mean high water mark of the water body. Items include work conducted in or adjacent to the intertidal area and in subtidal areas. Items may include beach restoration, bulkhead removal, dike breaching, plant establishment/removal/management, and tide

channel reconstruction.

Eligible Project Types, Non-Capital

NON-CAPITAL PROJECTS: Assessments And Studies

The results of proposed assessments must **directly and clearly** lead to identification, siting, or design of habitat protection or restoration projects or fill a data gap that is identified as a priority in a lead entity strategy and is limiting project or strategy development. All elements of assessment projects proposed for SRFB funding must be directly applicable to defined project objectives and scale of data gap or assessment. Assessments only intended for research purposes, stand-alone monitoring, or to further general knowledge and understanding of watershed conditions and function, although important, are **not** eligible for SRFB funding.

Projects could include assessments in freshwater, estuarine, and nearshore environments. Assessment examples could include project feasibility and design studies; channel migration studies; reach-level assessments; and inventories such as barriers or unscreened water diversions. A feasibility study could include assessing the willingness of landowners to allow access to their land for a habitat restoration project or to consider selling a property interest. A reach-level assessment could include physical and biological elements to identify and prioritize restoration and protection projects.

Assessments must be closely coordinated with other assessments and data collection efforts in the watershed and with the appropriate federal, tribal, state, regional, and local organizations and landowners to prevent duplication and ensure the use of appropriate methods and protocols. To improve coordination, lead entities and applicants are encouraged to partner with each other. Assessments and studies must be completed within two years unless additional time is necessary and can be justified by the project sponsor. Project sponsors are encouraged to select assessments that can provide usable results within a two-year period.

To the extent feasible, the concepts and approaches outlined in *Guidance for Watershed Assessment for Salmon* (Joint Natural Resources Cabinet, 2001) should be used to identify and support the need for the assessment and provide guidance for the design and implementation of the assessment. Applicants are asked to describe how their proposed assessment addresses the stages and elements in the Guidance document. It can be found at: http://www.governor.wa.gov/gsro/publications.htm.

Marine nearshore assessments should be consistent with the *Guidance for Evaluating SRFB Nearshore Assessments* (PSNERP Screening Committee, 2002).

Eligible Project Types, Combinations

COMBINATION TYPE Projects

Combination projects are projects that include both acquisition and restoration elements OR acquisition and non-capital (assessments and studies).

INELIGIBLE Projects And Elements

Some specific projects or elements are ineligible for SRFB funding consideration. In general, these ineligible projects or elements do not directly foster the Board's mission, or do not meet specific cost or public policy constraints at this time.

1. Property acquisition through eminent domain.

2. Purchase of buildings or land not essential to the functions or operation and maintenance of the assisted site.

3. Leasing of land.

4. Mitigation project, activities, or funds.

5. Monitoring, maintenance and stewardship as stand-alone projects.

6. Construction of buildings or indoor facilities not essential to the operation and maintenance of the assisted site.

7. Capital facilities and public works projects, such as sewer treatment facilities, surface and stormwater management systems, and water supply systems.

8. Converting from septic to sewage treatment systems.

9. Operation or construction of fish hatcheries.

10. Net pens, artificial rearing facilities, remote site incubation systems and supplementation.

11. Operation of hydropower facilities.

12. Fish harvest and harvest management activities.

13. Fishing license buy-back.

14. Silvicultural treatments or other forest practices (activities covered by the Forest Practices Act or the Forest and Fish Agreement).

15. Purchase of equipment necessary to implement or monitor a SRFB development or acquisition project.

16. Support for lobbying or legislative activities.

17. Indirect organizational costs.

18. Costs incurred in developing the SRFB grant project application.

19. Monitoring costs associated with a project. [The SRFB will review this policy at its April 30, 2004 meeting.]

SECTION 3 – PROJECT APPLICATIONS

Application Format – Individual Applicants

Each individual proposal must be submitted through the lead entity. If directed by the local lead entity, the applicant may initially use a non-SRFB application format. However, each project that the lead entity wants considered by the SRFB must have a completed SRFB application in the PRISM on-line computer system by the SRFB due date.

SRFB forms are available in paper format, at the SRFB Website, and by direct access through the PRISM COMPUTER system. See SRFB Manual #18b, Appendix L.

Applications are *required* to be entered into PRISM by lead entities or applicants this cycle for the formal submittal due by July 16, 2004. Lead entities and/or their individual applicants are encouraged to use the PRISM system before the deadline as a tool for preparing their final applications.

The completed application for each individual project on a lead entity list to SRFB consists of a multi-page project proposal and a series of cost estimates, contact addresses, location descriptions and other informational items.

Evaluation by Lead Entities

The lead entity will evaluate and rank its project proposals. It may use locally-developed information and criteria to prioritize its projects, including criteria that address social, economic and cultural values.

Lead entities are encouraged but not required to use the SRFB's definitions of "Benefit" and "Certainty" (divided into high, medium and low ratings.) See Appendix A.

Cost-Effectiveness

The SRFB recognizes the difficulty in determining the cost-effectiveness of habitat projects. However:

- Projects should have a reasonable cost relative to the anticipated benefits. There may be more cost-effective ways of addressing the same limiting factor through alternate project sites, types and designs.

- Projects should be designed to address the project objectives in the most cost-effective manner. This could include design features, materials, and use of donated materials and labor.

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SECTION 4 – LEAD ENTITY LISTS AND MATERIALS - INSTRUCTIONS

**Lead Entities –
Overview**

Lead entities were authorized by the Legislature in 1998 in HB2496 (see RCW 77.85.050 - .070). Lead entities are created by the voluntary mutual agreement of cities, counties, and tribes within a geographic area comprised of one or more watersheds (WRIAs). Non-profit organizations, tribal governments, and local governments are eligible to provide the administrative duties of a lead entity. Administrative functions include establishing and supporting a citizen-based committee and helping the Washington State Conservation Commission form technical advisory groups to compile limiting factors reports. Together, the administrative body, citizen-based committee, and technical advisory group form a lead entity. In cooperation with the SRFB, the Washington Department of Fish and Wildlife provides administrative support to the lead entity system.

The lead entity uses limiting factors analysis and other watershed assessments, analyses, inventories, and studies to develop a habitat restoration and protection strategy ("strategy"). The strategy includes identification of priority species, habitat factors, and watershed processes. Using the principles of "critical pathways methodology" these priorities are used to identify a sequence of habitat restoration and protection actions, in turn leading to a ranked list of restoration and protection projects. Technical advisory groups typically perform the role of screening and reviewing applications for scientific merit. Citizen committees, composed of diverse community interests, are responsible for adopting ranked habitat project lists using information from the technical advisory groups. The resulting habitat project lists are submitted to the SRFB for consideration of funding.

In addition to scientific criteria, the lead entity citizen committee may use other criteria to prioritize projects, including criteria that address social, economic, and cultural values. An example is identifying or prioritizing a project that, in addition to providing habitat benefits, will help enlist future community support for salmon recovery. Lead entities should weigh the importance of scientifically supportable direct benefits to salmon versus social or economic benefits that may indirectly help the salmon but are more difficult to assess.

A list of lead entity contacts is in Manual 18b, Appendix I.

APPLICATION DEADLINE

For funding consideration, lead entities must submit their ranked lists of projects, strategy, strategy summary, and supporting application materials to the SRFB by **July 16, 2004.**

Lead Entity - Application Materials

The lead entity must submit the following information to the SRFB on or before July 16, 2004:

- Lead Entity List Memorandum (see Appendix B)

- Lead Entity Strategy and Project Evaluation Criteria

- Strategy Summary (see pages 20-21)

- Answers to Lead Entity Strategic Fit Questions (one per lead entity) (see pages 21-22)

- Project Application Materials (one set of application materials for each project to be considered by the SRFB). Since the proposal is being submitted on-line, a paper copy does not need to be provided; however, the following material needs to be submitted via the "attachment" process in PRISM or as hard copy.

  - Authorization Memorandum
  - Maps (general vicinity and work site)
  - Project Photo(s)
  - Long-term stewardship plan
  - Project Partnership Contribution Form (required for state agencies)
  - Barrier Evaluation Form (fish passage projects)
  - Expanded Barrier Evaluation form (fish passage projects)
  - Other materials (optional)
  - Evaluation proposal response
  - Landowner willingness form

The application packets should be flat (unfolded) and mailed to:

Salmon Recovery Funding Board
PO Box 40917
Olympia, WA 98504-0917

Lead entities should retain one copy of all materials for their records. **The lead entity information and project application materials must be postmarked on or before July 16, 2004.** Submissions that are illegible, incomplete, or postmarked after the due date will be returned unprocessed. Faxed applications will not be accepted.

Lead Entity Project List

See Appendix B, for a copy of the "List Memorandum" form for submission to SRFB.

Lead entities will submit a list of projects that has been prioritized by the citizen committee in the lead entity area. In December 2004, the Board will make its funding decisions based on Board funding policies and a scientific assessment of the project lists.

The Board is committed to provide the best possible investment in habitat protection and restoration projects. To achieve this goal, the Board supports projects that have been identified and prioritized by lead entity citizen committees, aided by local technical experts, that are based on a good understanding of the watershed conditions and stock status, and that are coordinated with other habitat protection and restoration activities in the watershed. The Board believes project lists developed in this manner will provide the greatest benefits to salmon based on the existing knowledge and support available at this stage of recovery.

The lead entity is responsible to ensure each application has a valid match, is free of mathematical errors, meets eligibility criteria, and is technically complete and sound. When the application is submitted to the SRFB it should contain all required attachments.

Lead entities should only submit projects they want the SRFB to consider for funding. If a project is not ready for funding or the lead entity is unclear about the project's benefits and certainty, the lead entity should resolve these issues with the applicant before submitting an application to the SRFB.

There is no restriction on the number of projects or total dollar amount a lead entity can request. However, lead entities and project applicants are encouraged to remember that funding is limited.

Note – Final copy of the Manual will include a paragraph describing any guidance or limitations on appropriations as of the close of the 2004 legislative session.

Lead Entity Strategy and Summary Statements

Each lead entity must submit the document or documents which compose its Strategy, together with a summary of those materials and local review criteria.

Lead entities are encouraged to use the *Guide to Lead Entity Strategy Development*, which was adopted by the Salmon Recovery Funding Board on October 30, 2003. This *Guide* document is posted on the SRFB website, (http://www.iac.wa.gov/srfb/docs.htm), or will be made available by calling the SRFB offices.

Lead Entity Strategy – SUMMARY Materials Required

Lead entity strategies may be structured in many different ways based upon local needs and interests. However, it is helpful for the SRFB, Review Panel, and others to have information on strategies in a consistent manner.

The SRFB therefore will ask for the following information, in summary form, from each lead entity during the strategy review process. Lead entities do not need to restructure their strategies to provide this information. If a lead entity strategy does not provide answers for any of the following questions, it should be so indicated, although new or supplemental answers would not be required.

Scientific Information and Technical Foundation

1. What are the stocks and their status in your area?

2. What are the priorities and goals for these stocks? What is the technical basis for these decisions?

3. What are the limiting habitat feature(s) and/or watershed processes limiting recovery? Which are the most important ones?

4. What are the major actions necessary to protect and improve the stocks?

5. What are your priority actions and/or geographic areas based on scientific information? What is the basis for the priorities?

Community Interests

1. How do you assess community interests and support for

actions necessary to protect and improve salmon stocks?

2. What types of biologically based high priority projects, geographic areas and actions currently enjoy the community support necessary for successful implementation? (In reference to Figure 1, *Guide to Lead Entity Strategy Development*, where is the overlap in science-based priorities and community priorities?)

3. What types of biologically based high priority projects, geographic areas and actions do not currently enjoy the community support necessary for successful implementation and why?

4. Do you have a strategy or set of actions to increase the community support necessary for successful implementation of these priority actions and areas? If so, briefly describe the strategy and proposed actions.

Overall Approach to Guide Project Priorities

1. Based on the technical foundation and assessment of community interests, what actions, types of projects and areas are emphasized in your strategy?

2. How does your project ranking system support these priorities?

List – STRATEGIC FIT

As part of a complete submission to SRFB, the lead entity must demonstrate how its list reflects the priorities, approaches and issues expressed in the Strategy. Each lead entity should respond to the following questions.

Lead Entity – Addressing "Fit-to-Strategy" Questions

1. Explain how your list of projects addresses the highest priority species and stocks, limiting habitat features, and limiting watershed processes identified in your strategy.

2. Explain how your list of projects carries out the highest priority actions specified in your strategy.

3. Explain how your list of projects addresses the highest priority areas in your watershed(s) as specified in your strategy.

4. Explain how the rank order of your list reflects the priority of stocks, limiting habitat features, and limiting watershed processes identified in your strategy.

5. Explain how the rank order your list reflects the priority of actions specified in your strategy.

6. Explain how the rank order your list reflects the priority of

targeted areas in your watershed(s).

7. Explain how the ~~rank order~~ your list of projects reflects community interests in your watershed(s). This includes community benefits of projects, support for the projects being proposed, and how projects build support for future salmon recovery efforts.

Local Ranking and Rating Criteria / Use of SRFB Rating definitions

Lead entity citizen committees will rank their projects for submission to the SRFB using local methods and priorities.

To rate projects for the Fifth Round, the lead entities may use the revised definitions of *benefits* and *certainty* adopted by the SRFB, modify or supplement these definitions, or use their own evaluation criteria to rate projects.

The SRFB's definitions of *benefits* and *certainty* of projects are enclosed as Appendix A.

SECTION 5 – SRFB REVIEW OF PROPOSALS, AND CONSIDERATION FOR FUNDING

Overview of the Approach to Fifth Round Funding

The SRFB has transitioned from making funding decisions based on the evaluation of individual projects to decisions based on evaluation of the overall list of projects.

The Board will appoint a Review Panel, composed of five technical and non-technical members. It will be supported by a pool of technical advisors with expertise in a variety of areas of salmon recovery to advise the Panel. The Review Panel will evaluate how well each lead entity's project list addresses the priorities and needs identified in the lead entity strategy. The Review Panel's technical advisors will review individual projects to make sure they are technically sound. However, they will not otherwise rate, score, or rank projects.

Thirty-five percent of the funds currently estimated for the Fifth Round will be allocated to lead entity project lists in December 2004 based on the following percentages:

- 19% of the available funds will be divided equally among the lead entities,

- 6% will be allocated based on the number of salmonid river-miles and marine shoreline miles in the lead entity area,

- 8% will be allocated based on the number of listed species, and an additional two percent may be allocated as an incentive for lead entities to join together in developing a strategy, recovery planning, or combining project lists.

- 2% to be divided equally between project lists from lead entities that are planning and prioritizing projects across watersheds at a Salmon Recovery Region scale.

The remaining sixty-five percent will be allocated in December 2004 based on evaluation of the fit of lead entity lists to the lead entity strategies.

The Review Panel will use the written information submitted by project applicants and lead entities, results of meetings with the lead entity representatives, responses to the follow-up questions, and findings of the Panel's technical advisors to develop conclusions and recommendations to the Board. The SRFB will make final funding allocations at its December 2-3, 2004 meeting. All funding decisions are made in open public session.

Review Panel Composition

The Review Panel will be composed of a total of five technical and non-technical members plus a non-voting Team Leader. The technical members will be experts in salmon recovery with a broad range of knowledge in salmon habitat restoration and protection approaches, an understanding of watershed processes and an ecosystem approach to habitat restoration and protection, and an understanding of strategic planning. Non-technical members will have an understanding of strategic planning, natural resource issues (including salmon recovery and watershed planning), and will have experience in bridging the gap between science and policy and inclusion of the community and stakeholder interests in policy development and decision-making. They will contribute to the Review Panel an understanding of how a project list, and the ranking of projects on the list, responds to community interests and helps build community support for salmon recovery efforts.

The Panel is independent in the sense that team members do not represent an agency or constituency and should not currently be involved professionally or as a volunteer in any lead entity process or a project on a lead entity list. Panel members' discussion and decisions should be based on sound scientific information and principles and their best professional judgment

The Review Panel will make use of a pool of technical advisors with expertise in a number of different project types (passage, nearshore, assessments, acquisition, in-stream, etc.) to undertake the technical review of proposed projects and provide technical assistance to ensure that they are scientifically sound.

Panel Appointment

The Board will consider staff recommendations before appointing the members of its Review Panel. Staff will ask for nominations or suggestions from agencies (USF&WS, NMFS, NWIFC, Columbia River Inter-Tribal Fish Commission, WCC, WDOE, WDNR, and WDFW), lead entity participants, SRFB members and the general public.

Early Meetings Between Review Panel And Lead Entity

Early in the grant cycle, prior to the July 16 application deadline, the Review Panel will, at the option of each lead entity, review lead entity strategies and meet with lead entity representatives in an informal setting to ask questions and provide feedback. The purpose is to give Review Panel members an early opportunity to understand the strategies, develop a rapport with lead entity representatives, and to provide them with comments.

At this time, the Review Panel will not evaluate the strategy, nor would there be an expectation that the lead entity would revise the strategy prior to soliciting projects for the Fifth Round. However,

lead entities may want to clarify any confusing parts of their strategy (including the strategy summary) or choose projects in areas where their strategy is seen to be strongest or most specific.

The early meetings on strategies between the Review Panel and lead entities will be scheduled through the SRFB office for the maximum mutual convenience of the participants.

Early Meetings With Review Panel Technical Advisors

Lead entities may also choose to meet informally with the Review Panel's technical advisors to discuss proposed projects. The purpose of these meetings would be to identify issues of concern regarding the technical soundness of proposed projects early in the evaluation process. This will give project applicants the opportunity to address these concerns before the formal evaluation in the fall.

Lead entities may invite Review Panel technical advisors to their area at any time during the lead entity's project solicitation and evaluation process prior to the application deadline. A team of technical advisors may attend TAG meetings, make site visits to some or all proposed projects, and meet with project applicants. The team will consist of members with expertise based on the project types being visited. The team will provide the lead entity with written comments after the visit. The project applicants or lead entity must have entered project information in PRISM or provided a draft Evaluation Proposal for the project two weeks prior to the visit to give the technical advisors written information about projects they will be reviewing.

Lead Entity Submission of Project List and Application Materials

As noted in Section 4, above, lead entities must submit their lists of projects, strategy (including project evaluation criteria), strategy summary, "fit to strategy" information, and supporting application materials to the SRFB by July 16, 2004.

SRFB Technical Review of Projects

It is understood and expected that the lead entities perform the primary technical review of individual projects, having the most detailed knowledge of local conditions and design and construction approaches that are appropriate. However, to provide for statewide consistency and to help ensure that every project considered for funding by the Salmon Recovery Funding Board is technically sound, the Review Panel will utilize its pool of technical advisors to conduct a final technical review of all projects.

The technical advisors will note for the Review Panel and SRFB any projects they believe have low benefit to salmon, a low likelihood of being successful, and/or have costs that outweigh the anticipated benefits of the project. The technical advisors will not otherwise rate, score, or rank projects. See Appendix C.

The Review Panel and technical members will take into account that at the time of application to the SRFB, some restoration projects may not be completely designed and some acquisition projects might not have specific parcels identified. It is expected that projects will follow Best Management Practices (BMPs), when available, and will meet any state and federal permitting requirements.

Criteria for the technical advisors' review of individual projects is based on the SRFB's definitions of "low certainty" and "low benefit". These criteria can be found in Appendix C.

Emphasis will be placed on reviewing projects of concern identified during the lead entity visits. After release of the draft report, lead entities will have two weeks to respond in order to provide additional information or to make changes in projects in order to address the technical advisors' concerns.

Any project of concern noted by the technical advisors will remain on the project lists evaluated by the Review Panel, and will continue to be forwarded to the SRFB unless the lead entity decides to withdraw the project. Only the SRFB has the authority to remove a project from consideration for funding.

WDFW Review

As part of the SRFB technical advisory process, instream passage and instream diversion projects and barrier inventories will be submitted to WDFW for technical review. The WDFW technical review results will be available to the Review Panel and SRFB for consideration in final evaluation and funding decisions.

Puget Sound Marine Nearshore Projects

The marine nearshore plays an important role in the life history of salmon. In Puget Sound and several other parts of the state, the marine nearshore portions of a lead entity area are part of a highly interconnected ecosystem that may span multiple lead entity areas.

- The SRFB encourages all parties with interests in the marine nearshore be participants in the lead entity process.

- The SRFB urges that all lead entities, nearshore project applicants, and the SRFB Review Panel use the technical resources identified by the Puget Sound Nearshore Ecosystem Restoration (PSNER) Science Team: *Guidance for Evaluating SRFB Nearshore Assessments* (Screening Committee, 2002) and *Guidance for Protection and Restoration of the Nearshore Ecosystems of the Puget Sound* (Nearshore Science Team, 2003).

- The Review Panel will utilize technical advisors with expertise in marine nearshore habitat and ecological processes to review the nearshore projects.

- Although the SRFB will only need a determination that a nearshore project is technically sound, the technical advisors evaluating nearshore restoration and protection projects will also rate them for their fit to the PSNER guidance report listed above for possible future Army Corps of Engineers funding. Projects that are not funded as part of a lead entity list could be considered for funding through these other programs. This approach should not require any additional work by lead entities or project applicants and could be useful in providing additional funding for marine nearshore projects.

Review Panel Evaluation of Lead Entity Lists

In the fall of 2004, after the project review by the Review Panel technical advisors, the Panel will conduct an in-person meeting with each lead entity for the purpose of evaluating the lead entity's project list. Lead entity representatives will present their project lists to the panel, relate how the project list supports the lead entity strategy, and explain how consideration of social, economic and cultural values in their citizens' committee may have changed their technical committee's ranking. The amount of time available for the interview will be adjusted depending on the geographic area and the number of projects being presented.

After the lead entity presentations, the SRFB Review Panel will evaluate how well each lead entity's list of projects addresses the priorities identified in the lead entity's strategy (see below) and provide the lead entity representatives with an initial written report. The lead entity representatives will have an opportunity to provide written responses to the Panel's preliminary report and, if requested, to meet with the Panel to explain the responses.

Final review sessions with the Review Panel in the fall of 2004 require the attendance of at least one person from the lead entity. The final review meetings will be scheduled in several locations around the state.

Strategies - Evaluation Criteria for "Specificity" and "Fit to Strategy"

The SRFB's Review Panel will evaluate how well each lead entity's list of projects addresses the priorities identified in the lead entity's strategy. To accomplish this, the Review Panel will use a series of scored evaluation questions (see Appendix D). Since it is difficult to evaluate how well a lead entity's list of projects addresses the priorities identified in the lead entity's strategy if the strategy is vague, nonspecific, or lacks focus, the Review Panel will also evaluate the specificity and focus of strategies.

The Review Panel's evaluation of the specificity and focus of a strategy will be performed in four categories: species, habitat features and watershed processes, actions and geographic areas, and community issues. These areas are based on the *Guide to Lead*

Entity Strategy Development. For each of the four categories the Review Panel will provide a rating of *excellent*, *good*, *fair*, or *poor*.

The Review Panel's evaluation of how well each lead entity's list of projects addresses the priorities identified in the lead entity's strategy will be performed in two categories: actions and geographic areas, and fit of project ranking. For each of these categories the Panel will also provide a rating of *excellent*, *good*, *fair*, or *poor*.

Details of the criteria to be used by the Review Panel in evaluating the specificity of a lead entity strategy and the fit of the project list to the strategy can be found in Appendix D.

Review Panel Results

The recommendations of the Panel to the Board will consist of:

- The Panel's overall evaluation of each strategy's specificity and focus.

- The Panel's overall evaluation of how each lead entity's project list fits the strategy.

- The Panel may identify specific projects it believes should not be considered for funding by the SRFB at this time, based on the review of the Panel's technical advisors. A recommendation that a project not be considered for funding by the SRFB requires the action of a majority of Panel members.

- The Panel will document the reasons for its recommendations as part of its written report to the SRFB.

Panel members will not reorder lead entity project lists or remove projects from the lists.

SRFB staff will facilitate Panel discussions but will not be part of the decision-making process the Panel uses to develop its recommendations to the SRFB.

Panel and Staff Report

The Panel will prepare draft conclusions and recommendations resulting from its evaluation of strategy specificity and the fit of the list to the strategy and provide the draft to lead entity representatives. The lead entity representatives may provide comments to the Panel and, if desired, meet with the Panel within two weeks after the release of the draft report.

After consideration of comments from lead entities in response to the draft report, the Panel will finalize its conclusions and recommendations. Staff will assist the Panel in developing a report for the SRFB. The report will detail the two increments of funding allocations (per formula), and identify policy issues important for consideration by the SRFB.

The report will be distributed and placed on the SRFB web page for public comment on the draft funding recommendations.

Board Funding Decisions

The Board will make its funding decisions based on Board funding policies and how well each project list fits the lead entity strategy. The SRFB will review the project lists, lead entity strategy summaries, reports from the Review Panel and its technical advisors, staff reports, and public comments (including public testimony at the funding meeting).

All Board funding decisions will be made in an open public meeting. Notice of meeting dates is provided at the Board's Website and through regular communication between SRFB's offices, lead entity contacts, and other constituents. All reports, recommendations, and related materials will be posted on the Website with adequate time for public review and comment. At the funding meeting, the Board will offer each lead entity the opportunity to give testimony or commentary on its list and on the overall process.

Successful Applicants Workshops

Following grant awards, staff will conduct "Successful Applicant Workshops" to review project agreement implementation and sponsor reimbursement procedures. Information concerning the times and locations of workshops can be obtained by contacting the SRFB or by visiting its website.

SECTION 6 – BOARD APPROVAL, POST-AWARD ISSUES

Board Approval – Provisional

After approving a funding allocation based on the lead entity lists, the SRFB has appropriation authority to proceed with funding the proposals via a Project Agreement between the applicant and the IAC on behalf of the Board. Board approval of individual grants is provisional until execution of a formal Project Agreement.

Project Agreement Issues

After approval of funding by the SRFB, and prior to issuing a Project Agreement, the Director may request updated or clarifying information from the applicant or lead entity. Upon receipt of the information, SRFB/IAC staff prepares the Project Agreement and sends it to the applicant, who becomes the project sponsor upon signature of the Project Agreement. Each Project Agreement is verified periodically by SRFB/IAC staff for contractual compliance. (See also, IAC Manual #7, Procedures for Funded Projects.)

Applicants have no more than 90 days after the Board approves a project to provide the required materials in order for staff to develop Agreement materials, or the project may be terminated. The applicant then has no more than 90 days to sign the tendered agreement, or the project may be terminated.

The Agreement usually consists of:
  ➢ Application materials
  ➢ Project start and end dates, key milestones
  ➢ Contractual issues – default, responsibilities, liability, etc.
  ➢ Special conditions, if applicable.

Copies of the Agreement text, sample Landowner Agreements, and other forms are available through the SRFB/IAC office.

Cost Increases

The SRFB may provide project cost increases if grant funds are available. Project sponsors should utilize all other funding sources before requesting a cost increase. The IAC Director is authorized to approve a cost increase up to 10% of the project cost or up to $10,000 (whichever is less). The SRFB Administrative Sub-Committee must approve cost increases of up to 20% of the project costs or up to $20,000 (whichever is less). Requests above this amount require SRFB approval at a regular meeting.

Availability of Matching Share	Applicants must provide proof of availability of matching funds prior to finalization of a grant agreement.
Control and Tenure	The Board intends that projects funded with SRFB grants maintain their habitat value, integrity, and functionality over time. To help ensure this, the SRFB requires the project's sponsor have sufficient control and tenure of the land it intends to perform the project on, at the time of agreement. Sufficient control and tenure can be documented by one of the following methods:

Ownership. A project sponsor can demonstrate control and tenure through ownership of the property it intends to place the project on. Property must be free of restrictions, encumbrances, and/or conveyances that could impede project implementation or performance.

Easement. A project sponsor can demonstrate control and tenure through possession of a conservation easement or other similar property interest that allows project implementation and performance.

Lease. A project sponsor can demonstrate control and tenure through possession of a lease that demonstrates property control in a manner that permits project implementation and performance. A lease must be in effect for the duration of the landowner agreement.

Land Owner Agreement. A Land Owner Agreement (LOA) can be executed for a project that occurs on land not owned, or otherwise controlled, by the project sponsor. In the absence of a property lease, easement, or sponsor ownership, a LOA is required. A LOA is a document between a project sponsor and the landowner where the project is situated.   At a minimum, a LOA allows access by a project sponsor to the site for project implementation, inspection, maintenance, and monitoring. A Land Owner Agreement must be in effect for at least 10 years. Project Sponsors may use the SRFB's "Land Owner Agreement" or other approved agreement formats. A SRFB project manager can provide details.

Conversions	Natural resources and facilities purchased or assisted with SRFB funds shall not be converted to uses other than those for which the funds were originally approved. Chapter WAC 420-12.
	Restoration projects shall be subject to conversion approval requirements for 10 years, or for the duration of the Landowner Agreement. Land acquisitions shall be subject to conversion

approval requirements in perpetuity.

SRFB may only approve a conversion when it is assured of the substitution or replacement with natural resources or facilities of at least equal fair market value at the time of conversion. The replacement natural resources and facilities must also be of as nearly equivalent or greater usefulness and location, if physically and/or biologically feasible. Where the basis for conversion is an act of nature, and where likely effects of further acts of nature render both the original proposal and a reasonable substitute impossible to reasonably repair or replace, the Board may determine the obligation to continue the project can be terminated.

A conversion may also be declared in instances where a project, due to a management activity, no longer meets or conforms to the intent of the SRFB grant. Examples include:

➢ Property that, due to a management activity, no longer supports or contains the species for which it was acquired. Replacement would be new property to meet the original intent.

➢ Development of project areas beyond the minimal levels required to preserve, enhance, or interpret projects of this type. Replacement would be the same as noted above.

APPENDIX A: EVALUATING BENEFITS AND CERTAINTY

Identified & Prioritized in the Strategy	High Benefit Project
Watershed Processes & Habitat Features	Addresses high priority habitat features and/or watershed process that significantly protects or limits the salmonid productivity in the area. <u>Acquisition</u>: More than 60% of the total project area is intact habitat, or if less than 60% project must be a combination that includes restoration. <u>Assessment</u>: Crucial to understanding watershed processes, is directly relevant to project development or sequencing, and will clearly lead to new projects in high priority areas.
Areas & Actions	Is a high priority action located in a high priority geographic area. <u>Assessment</u>: Fills an important data gap in a high priority area.
Scientific	Is identified through a documented habitat assessment.
Species	Addresses multiple species or unique populations of salmonids essential for recovery or ESA-listed fish species or non-listed populations primarily supported by natural spawning. Fish use has been documented.
Life History	Addresses an important life history stage or habitat type that limits the productivity of the salmonid species in the area and/or project addresses multiple life history requirements.
Costs	Has a low cost relative to the predicted benefits for the project type in that location.

Identified & Prioritized in the Strategy	Medium Benefit Project
Watershed Processes & Habitat Features	May not address the most important limiting factor but will improve habitat conditions. <u>Acquisition</u>: 40-60% of the total project area is intact habitat, or if less than 40-60% project must be a combination that includes restoration. <u>Assessments</u>: Will lead to new projects in moderate priority areas and is independent of other key conditions being addressed first.
	Continues next page

Areas & Actions	May be an important action but in a moderate priority geographic area. <u>Assessment</u>: Fills an important data gap, but is in a moderate priority area.
Scientific	Is identified through a documented habitat assessment or scientific opinion.
Species	Addresses a moderate number of species or unique populations of salmonids essential for recovery or ESA-listed fish species or non-listed populations primarily supported by natural spawning. Fish use has been documented.
Life History	Addresses fewer life history stages or habitat types that limits the productivity of the salmonid species in the area and/or partially addresses fewer life history requirements.
Costs	Has a reasonable cost relative to the predicted benefits for the project type in that location.

Identified & Prioritized in the Strategy	Low Benefit Project
Watershed Processes & Habitat Features	Has not been proven to address an important habitat condition in the area.
Areas & Actions	Addresses a lower priority action or geographic area.
Scientific	Is unclear or lacks scientific information about the problem being addressed.
Species	Addresses a single species of a lower priority. Fish use may not have been documented.
Life History	Is unclear about the salmonid life history being addressed.
Costs	Has a high cost relative to the predicted benefits for that particular project type in that location.

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Identified & Prioritized in the Strategy	High CERTAINTY Project
Appropriate	Scope is appropriate to meet its goals and objectives.
Approach	Is consistent with proven scientific methods. Assessment: Methodology will effectively address an information/data gap or lead to effective implementation of prioritized projects within one-to-two years of completion.
Sequence	Is in the correct sequence and is independent of other actions being taken first.
Threat	Addresses a high potential threat to salmonid habitat.
Stewardship	Clearly describes and funds stewardship of the area or facility for more than 10 years.
Landowner	Landowners are willing to have work done.
Implementation	Actions are scheduled, funded, and ready to take place and have few or no known constraints to successful implementation as well as other projects that may result from this project.

Identified & Prioritized in the Strategy	Medium CERTAINTY Project
Appropriate	Is moderately appropriate to meet its goals and objectives.
Approach	Uses scientific methods that may have been tested but the results are incomplete. Assessment: Methods will effectively address an information/data gap or lead to effective implementation of prioritized projects within three-to-five years of completion.
Sequence	Is dependent on other actions being taken first that are outside the scope of this project.
Threat	Addresses a moderate potential threat to salmonid habitat.
Stewardship	Clearly describes but does not fund stewardship of the area or facility for more than 10 years.
Landowner	Landowners may have been contacted and are likely to allow work to be done.
Implementation	Has few or no known constraints to successful implementation as well as other projects that may result from this project.

Identified & Prioritized in the Strategy	Low Certainty Project
Appropriate	The methodology does not appear to meet the goals and objectives of the project.
Approach	Uses methods that have not been tested or proven to be effective in past uses.
Sequence	May be in the wrong sequence with other protection and restoration actions.
Threat	Addresses a low potential for a threat to salmonid habitat.
Stewardship	Does not describe or fund stewardship of the area or facility.
Landowner	Landowner willingness is unknown.
Implementation	Actions are unscheduled, unfunded, and not ready to take place and has several constraints to successful implementation.

APPENDIX B - LEAD ENTITY LIST MEMORANDUM

Each lead entity submitting a Project List must complete this form.

TO: Salmon Recovery Funding Board (SRFB)
                                     P.O. Box 40917
                                     Olympia, Washington 98504-0917

FROM:_____
(Lead Entity Name)

SRFB is hereby requested to consider the Project List and application for financial assistance for the Salmon Recovery project(s) described below and to grant funding from such State and Federal sources as may be available. Applications are prepared with knowledge of, and in compliance with, SRFB's policies and procedures.

RANK (starting with the highest priority)	PROJECT NAME	PROSPECTIVE SPONSOR	SRFB REQUEST $$$	SPONSOR MATCH $$$	INDIVIDUAL PROJECT SCORE (if scoring was used)

As a lead entity, we certify that to the best of our knowledge, the data in this application is true and correct and are the result of a citizen committee prioritization process.

Authorized Lead Entity Representative: _____
                                                        (signature)   *(date)*

Printed Name and Title: _____

APPENDIX C - TECHNICAL REVIEW AND EVALUATION OF PROJECTS

To help ensure that every project funded by the Salmon Recovery Funding Board is technically sound the Review Panel's technical advisors will note for the Review Panel and SRFB any projects they believe have low benefit to salmon, a low likelihood of being successful, and/or have costs that outweigh the anticipated benefits of the project[1]. The technical advisors will not otherwise rate, score, or rank projects. The Review Panel technical members will take into account that at the time of application to the SRFB, some restoration projects will not have been completely designed and some acquisition projects may not have specific parcels identified. It is expected that projects will follow BMPs, when available, and will meet any state and federal permitting requirements.

Criteria

For restoration and protection projects, the technical advisors will advise the Review Panel that a project is not technically sound and cannot be significantly improved if:

- It is unclear there is a problem to salmonids the project is addressing.

- Information provided, or current understanding of the system, is not sufficient to determine the need for, or the benefit of, the project.

- The project is dependent on other key conditions or processes being addressed first.

- The project has a high cost relative to the anticipated benefits and the project sponsor and lead entity have failed to justify the costs.

- The project does not account for the conditions or processes in the watershed.

- The project may be in wrong sequence with other habitat protection, assessments or restoration actions in the watershed.

- The project uses a technique that has not been considered to be successful in the past.

- It is unclear how the project will achieve its stated objectives.

- It is unlikely that the project will achieve its stated objective.

- There is low potential for threat to habitat conditions if the protection project is not completed.

- The project design is not adequate or the project is improperly sited.

- The stewardship plan is insufficient or there is inadequate commitment to stewardship and maintenance of the project and this would likely jeopardize the project's success.

In addition to applying the above criteria, the technical advisors will also advise the Review Panel if they believe the project has not been shown to address an important habitat condition or watershed process in the area or if the project's main focus is to support other needs such as general education, property protection or water supply.

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[1] These projects will remain on the project lists evaluated by the Review Panel and forwards to the SRFB unless the lead entity decides to withdraw them. Only the SRFB has the authority to remove a project from the lead entity list.

For assessment projects, the project will be red-flagged by the technical advisors if:

- It is not clear there is a problem to salmonids the project is addressing.

- The project does not address an information need important to understanding the watershed, is not directly relevant to project development or sequencing, and will not clearly lead to beneficial projects.

- The methodology does not appear to be appropriate to meet the goals and objectives of the project.

- The project has a high cost relative to the anticipated benefits.

- The assessment does not account for the conditions or processes in the watershed, or may be in the wrong sequence with other habitat assessment or restoration activities.

- The assessment uses a technique that has not been proven successful in past applications.

- There are significant constraints to the implementation of high priority project(s) following completion of the assessment.

- It is unclear how the assessment will achieve its stated objectives.

- It is unlikely that the assessment will achieve its stated objective.

In addition to applying the above criteria, the technical advisors will also advise the Review Panel if they believe the project minimally addresses a limiting life history stage or habitat type that limits salmon productivity or its main focus is to support other needs such as general education, property protection, or water supply.

APPENDIX D - EVALUATION CRITERIA FOR "SPECIFICITY OF STRATEGY" AND "FIT TO STRATEGY"

The SRFB's Review Panel will evaluate how well each lead entity's list of projects addresses the priorities identified in the lead entity's strategy. To accomplish this the Review Panel will use a series of scored evaluation questions.

The SRFB agreed that it would be inappropriate to evaluate the overall quality of lead entity strategies for the Fifth Grant Round since there has been too little time for lead entities to react to the comments from the Fourth Round Technical Panel and the new *Guide to Lead Entity Strategy Development.* However, it is difficult to evaluate how well a lead entity's list of projects addresses the priorities identified in the lead entity's strategy if the strategy is vague, nonspecific, or lacks focus. Therefore, the Review Panel will also evaluate the specificity and focus of strategies.

Specificity and Focus of Strategy

The Review Panel's evaluation of the specificity and focus of a strategy will be performed in four categories: species, habitat features and watershed processes, actions and geographic areas, and community issues. These areas are based on the *Guide to Lead Entity Strategy Development*. For each of the four categories the Review Panel will rate the strategy *excellent*, *good*, *fair*, or *poor*.

Species and stocks[2]

The Review Panel will consider:

o Does the strategy clearly identify all of the stocks in the WRIA(s) comprising the lead entity area?

o Is the status of each stock presented?

o Are one or more stocks prioritized for habitat restoration and/or protection actions?

o Is there a clear and supportable rationale for establishing these priorities?

o Do the project ranking criteria reflect the priorities?

In an *excellent* strategy: The strategy clearly identifies all salmonid species stocks[3] in the lead entity area, and the status of each stock; one or more stocks are prioritized[4]; there is a

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[2] See *A Guide to Lead Entity Strategy Development*, October 10, 2003, for details.

[3] "Stock" is a salmonid subpopulation as designated in the *Salmon and Steelhead Stock Inventory*. Alternatively, lead entities may choose the term "population" as used by NOAA-Fisheries.

[4] This means that the lead entity has identified one or several species or stocks as the highest priority for habitat protection and/or restoration actions. Lead entities are not expected to prioritize one listed species or stock over another, although they may want to prioritize one listed stock of the same species over another if NOAA-Fisheries or USFWS recovery documents have identified high priority populations for their area. A lead entity may also choose to prioritize unlisted species and

clear and supportable rationale presented to justify the priorities; and the project ranking criteria[5] reflect these priorities.

Habitat features and watershed processes

The Review Panel will consider:

○ Does the strategy clearly identify watershed processes (i.e., habitat forming processes) that are limiting factors for prioritized stocks?

○ Does the strategy clearly identify habitat features (i.e., habitat conditions) that are limiting factors for prioritized stocks?

○ Does the strategy prioritize limiting watershed processes?

○ Does the strategy prioritize limiting habitat features?

○ Is there a clear and supportable rationale for establishing these priorities?

○ Do the project ranking criteria reflect the above priorities?

In an *excellent* strategy: The strategy clearly identifies limiting habitat features and watershed processes and prioritizes these habitat features and watershed processes for the benefit of priority species and stocks; there is a clear and supportable rationale for these priorities; and the lead entity's ranking criteria reflect these priorities.

Actions and geographic areas

The Review Panel will consider:

○ Does the strategy clearly identify specific actions for restoration and/or protection of targeted habitat features and watershed processes?

○ Does the strategy prioritize actions for restoration and/or protection of targeted habitat features and watershed processes?

○ Does the strategy identify specific geographic areas associated with prioritized actions?

○ Is there a clear and supportable rationale for establishing these priorities?

○ Do the project ranking criteria reflect these priorities?

In an *excellent* strategy: The strategy clearly identifies and prioritizes specific actions and geographic areas for the benefit of priority species and stocks; there is a clear and supportable rationale for these priorities; and the project ranking criteria reflect these priorities[6].

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stocks. If a lead entity strategy adopts a multispecies approach, it is important that the species or stocks be identified along with the rationale for selecting them.

[5] The Review Panel will expect that the ranking criteria used by the lead entity will be part of the lead entity strategy or will be submitted with the strategy.

[6] Not all priority actions need to translate into priority areas of the watershed but all priority areas should have priority actions. See the *Guide to Lead Entity Strategy Development.*

Community issues

Lead entity citizens committees often consider non-technical issues when evaluating and prioritizing projects. Projects may be ranked higher by the committee because of strong community support or because the project may be useful in helping build future community support, or if there are benefits to the community in addition to those for salmon. How the consideration of community values[7] and community support[8] might be addressed in a lead entity strategy is discussed in detail in the *Guide to Lead Entity Strategy Development.*

If community issues are taken into consideration by a lead entity in evaluating and ranking projects, the issues being considered should be identified and justified in the lead entity strategy. If not, the strategy should at least provide for an effective process to evaluate and weigh community issues as they arise.

If community issues were taken into consideration by a lead entity in evaluating and ranking projects, the Review Panel will evaluate the specificity and focus of the strategy in this area.

The Review Panel will consider:

- Does the strategy clearly identify community issues and concerns regarding salmon habitat protection and restoration?

- Does the strategy propose specific actions for building or maintaining community support for salmon protection and restoration efforts? For the highest biological priority actions and areas?

- Does the strategy prioritize these actions?

- Does the strategy articulate what community values will be taken into consideration in evaluating and ranking projects?

- Is there a clear and supportable rationale for establishing these priorities?

- Do the project ranking criteria reflect the priorities?

- Does the strategy provide for an effective process for evaluating and weighing community values and taking these values into consideration when developing and prioritizing project lists?

In an *excellent* strategy: The strategy provides for an effective process for evaluating and weighing community values and taking these values into consideration when developing and prioritizing project lists; proposes specific actions for building or maintaining community support for highest biological priority actions and areas; lists community values that will be taken into consideration in project evaluation and ranking; and the project evaluation criteria reflect these priorities and values.

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[7] "Community values" include social, cultural, economic and political values. Examples include values, attitudes, and beliefs regarding the role of government, private property rights, land use planning and regulation, economic use of land, and the value of endangered species.
[8] "Community support" could mean willing landowner(s), support by elected officials, a supportive economic sector (e.g. agriculture, forestry, and tourism), or support from other people or entities affected by proposed actions.

Fit of the Project List to the Strategy

The Review Panel's evaluation of the fit of the lead entity list of projects to the lead entity strategy will be performed using two categories: priority actions and areas, and project ranking. These areas are based on the *Guide to Lead Entity Strategy Development*. For each of the evaluation categories, the Review Panel will rate the strategy *excellent*, *good*, *fair*, or *poor*.

Actions and geographic areas

The Review Panel will consider:

o The extent the project list addresses the highest priority action and areas, and

o The extent that those actions and areas benefit the highest priority stocks, limiting watershed processes, and limiting habitat features.

In an *excellent* strategy: The entire project list addresses the highest priority actions and areas[9], benefiting the highest priority stocks and the highest priority habitat features and watershed processes.

Fit of project ranking

The Review Panel will consider the extent the rank order of the project list addresses the highest priority:

o Stocks

o Limiting watershed processes

o Limiting habitat features

o Actions

o Geographic areas

o Community interests

In an *excellent* strategy: The rank order of the entire list of projects fits the priorities (stocks, habitat features, watershed processes, actions, geographic areas, community issues) presented in the strategy. That is, the highest ranked projects fit the highest priorities identified in the strategy and, if there are projects that address lower priorities in the strategy, they are lower in the list.

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[9] Not all priority actions need to translate into priority areas of the watershed but all priority areas should have priority actions. See the *Guide to Lead Entity Strategy Development*.